

**STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of the Office of Financial & Insurance Regulation**

In the Matter of:

**Krislee Financial Corporation
2928 Bloomfield Park Drive
West Bloomfield, MI 48323
License No.: FL 1134 & SR 0494**

Enforcement Case No. 07-5488

Mr. Chhaya K. Shah, CEO

Respondent

**STIPULATION TO ENTRY OF CONSENT ORDER
AND CONSENT ORDER REQUIRING COMPLIANCE
AND PAYMENT OF CIVIL FINES**

STIPULATION TO ENTRY OF THE CONSENT ORDER

Krislee Financial Corporation (Respondent) and the Office of Financial and Insurance Regulation ("OFIR") stipulate to the following:

1. On or about February 26, 2008, OFIR served Respondent with a Notice of Opportunity to Show Compliance ("NOSC") alleging that Respondent violated provisions of the Mortgage Brokers, Lenders, and Servicers Licensing Act ("MBLSLA"), MCL 445.1651 *et seq.*
2. The NOSC contained allegations that Respondent violated the MBLSLA, and set forth the applicable laws and penalties which could be taken against Respondent.
3. OFIR and Respondent have conferred for purposes of resolving this matter and determined to settle this matter pursuant to the terms set forth below.

4. The Acting Chief Deputy Commissioner of OFIR has jurisdiction and authority to adopt and issue this Consent Order, pursuant to the Michigan Administrative Procedures Act ("MAPA"), MCL 24.201 *et seq.*, and the MBLSLA.

5. At all pertinent times, Respondent was licensed with OFIR as a mortgage broker and lender pursuant to the MBLSLA.

6. At all pertinent times, Respondent was registered with OFIR as a mortgage broker and lender pursuant to the Secondary Mortgage Loan Act.

7. Based upon the allegations set forth in the NOSC and communications with Respondent, the following facts were established:

a. Respondent has conducted activities under the MBLSLA with an independent loan originator who is not an employee of Respondent and is not licensed, registered or exempt under the MBLSLA. Specifically, Respondent has allowed Amit Parikh, who at the time was an unlicensed independent loan originator, to act as a mortgage broker without the requisite license or registration by accepting mortgage loan applications from Amit Parikh. Respondent has paid Amit Parikh a fee for mortgage loans he originated, which is a violation of Section 2(4) of the MBLSLA, MCL 445.1652(4). Amit Parikh's compensation was reported on an IRS Form 1099 rather than on a W-2 form. Further, Respondent has not taken adequate action to ensure that the business conducted under its mortgage license is conducted with properly licensed, registered, or exempt loan originators, in violation of Section 22(a) of the MBLSLA, MCL 445.1672(a).

8. Respondent agrees that it will pay to the state of Michigan, through OFIR, a civil fine in the amount of \$1,000. This fine will be paid on or before 30 days from the date of entry of this Order.

9. Respondent agrees that it shall cease and desist from any and all violations of the MBLSLA. Respondent does not contest the allegations and averments contained in OFIR's NOSC. This Stipulation and Consent Order is for settlement.

10. Both parties have complied with the procedural requirements of the MAPA and MBLSLA.

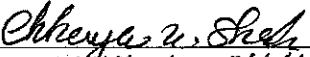
11. Respondent understands and agrees that this Stipulation will be presented to the *Acting* Chief Deputy Commissioner for approval. The Acting Chief Deputy Commissioner may in her sole discretion, decide to accept or reject the Stipulation and Consent Order. If the Acting Chief Deputy Commissioner accepts the Stipulation and Consent Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Consent Order. If the Acting Chief Deputy Commissioner does not accept the Stipulation and Consent Order, Respondent waives any objection to the Commissioner holding a formal administrative hearing and making his decision after such hearing.

12. The failure to abide by the terms and conditions of this Stipulation and Consent Order may, at the discretion of the Acting Chief Deputy Commissioner, result in further administrative compliance actions.

13. The Acting Chief Deputy Commissioner has jurisdiction and authority under the provisions of the MAPA and MBLSLA to accept the Stipulation and Consent Order and to issue a Consent Order resolving these proceedings.

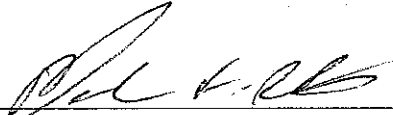
14. Respondent has had an opportunity to review the Stipulation and Consent Order and have the same reviewed by legal counsel.

Krislee Financial Corporation


By: CHHAYA K. SHAH
Its: CEO

AUGUST 14, 2008
Dated

OFFICE OF FINANCIAL & INSURANCE REGULATION


By: Marlon F. Roberts
Attorney for OFIR

8/20/08
Dated